

COUNTY COUNCIL

OF

HARFORD COUNTY, MARYLAND

BILL NO. 96- 39

96-394

Introduced by Council President Parrott at the request of the County Executive

Legislative Session Day No. 96-22

Date: July 9, 1996

AN ORDINANCE approving and providing for a multi-year Installment Purchase Agreement by Harford County, Maryland to acquire development rights in up to 431.85 acres of agricultural land located at 1247 Stafford Road, Darlington, Maryland from Henry S. Holloway, Sr., Barbara W. Holloway, Richard S. Holloway, Harriett W. Holloway, Henry S. Holloway, Jr., Brenda S. Holloway, or any other owner thereof for a maximum purchase price of \$2,500.00 per acre or portion thereof (excluding one acre for any existing residential dwelling); providing that the County's obligation to pay such purchase price and interest thereon shall be a full faith and credit general obligation of the County; providing for the levying of taxes for such payments; authorizing the County Executive to make modifications in such Agreement under certain circumstances; providing for and determining

By the Council, July 9, 1996

Introduced, read first time, ordered posted and public hearing scheduled

on: August 6, 1996at: 6:15 p.m.By Order: James D. Vannoy, Secretary**PUBLIC HEARING**

Having been posted and notice of time and place of hearing and title of Bill having been published according to the Charter, a public hearing was held on August 6, 1996, and concluded on August 6, 1996.

James D. Vannoy, Secretary

EXPLANATION:

CAPITALS INDICATE MATTER ADDED TO EXISTING LAW. [BRACKETS] indicate matter deleted from existing law. Underlining indicates language added to Bill by amendment. Language lined through indicates matter stricken out of Bill by amendment.

COUNTY COUNCIL

OF

HARFORD COUNTY, MARYLAND

BILL NO. 96-

96-39 1

Introduced by Council President Parrott at the request of the County Executive

Legislative Session Day No. 96-_____

Date: _____, 1996

various matters in connection therewith and to replace Bill No. 95-53 passed by the County Council of Harford County, Maryland on July 18, 1995, signed by the County Executive on July 20, 1995, effective September 18, 1995, the purchase of the development rights as provided in Bill No. 95-53 not having been completed within the time constraints provided in Bill No. 93-2.

By the Council, _____

Introduced, read first time, ordered posted and public hearing scheduled

on: _____

at: _____

By Order: _____, Secretary

PUBLIC HEARING

Having been posted and notice of time and place of hearing and title of Bill having been published according to the Charter, a public hearing was held on _____, and concluded on _____.

_____, Secretary

EXPLANATION:

CAPITALS INDICATE MATTER ADDED TO EXISTING LAW. [BRACKETS] indicate matter deleted from existing law. Underlining indicates language added to Bill by amendment. Language lined through indicates matter stricken out of Bill by amendment.

RECITALS

In accordance with the provisions of Section 524 of the Charter of Harford County (the "Charter"), the Annual Budget and Appropriation Ordinance of Harford County, Maryland (the "County") the Budget for fiscal year 1996, Bill No. 95-22 As Amended (the "Budget Ordinance") includes a project permitting the County to enter into installment purchase agreements to acquire development rights in agricultural lands located within the County, which Budget Ordinance was adopted by the County Council of Harford County, Maryland (the "County Council") as part of the Budget Ordinance, in accordance with the Charter.

Section 520 of the Charter provides that "any contract, lease or other obligation in excess of three thousand dollars (\$3,000) requiring the payment of funds from the appropriations of a later fiscal year shall be authorized by legislative act, and Section 524 of the Charter provides that the County may enter into installment contracts to purchase easements for agricultural land preservation purposes and pursuant to Bill No. 93-2 passed by the County Council on April 6, 1993, approved by the County Executive of the County on April 20, 1993, and effective on June 21, 1993 (the "Authorizing Act"), the County has been authorized and empowered to enter into such installment purchase agreements.

The Authorizing Act provides that after review by the Harford County Agricultural Advisory Board in accordance with the

1 County's Easement Priority Ranking System and approval by the
2 Harford County Board of Estimates, the County Council, may
3 approve and provide for the acquisition of the development rights
4 in each particular parcel of agricultural land, as defined in the
5 Authorizing Act.

6 Attached to this Ordinance as Exhibit A is an application to
7 sell a development rights easement signed by the landowner where
8 agricultural land is the subject of this Ordinance.

9 Attached to this Ordinance as Exhibit B are records of The
10 Harford County Agricultural Advisory Board evaluating all
11 applications to offer development right easements to the County,
12 with each application ranked pursuant to the County's easement
13 priority ranking system.

14 The County has now determined to enter into an Installment
15 Purchase Agreement with Henry S. Holloway, Sr., Barbara W.
16 Holloway, Richard S. Holloway, Harriett W. Holloway, Henry S.
17 Holloway, Jr., Brenda S. Holloway, or any other person who is or
18 becomes the owner of all or any portion of the Land (hereinafter
19 defined) prior to execution and delivery of such Agreement, in
20 order to acquire the development rights in approximately 431.85
21 acres, more or less, of agricultural land located at 1247
22 Stafford Road, Darlington, Maryland within the County for an
23 aggregate purchase price not in excess of \$1,079,625.00, plus
24 interest thereon, the actual amount of the purchase price to be
25 equal to the lesser of such maximum amount or \$2,500.00 times the

number of acres in such land (minus one acre for any existing residential dwelling located thereon), upon the terms and conditions hereinafter set forth.

NOW, THEREFORE:

SECTION 1. BE IT ENACTED BY THE COUNTY COUNCIL OF HARFORD COUNTY, MARYLAND, That

(a) Harford County, Maryland (the "County") shall enter into an Installment Purchase Agreement (the "Installment Purchase Agreement") with Henry S. Holloway, Sr., Barbara W. Holloway, Richard S. Holloway, Harriett W. Holloway, Henry S. Holloway, Jr., Brenda S. Holloway, and or any person who is or becomes the owner of all or any portion of the Land (hereinafter defined) prior to the execution and delivery of the Installment Purchase Agreement (the "Seller") in order to acquire the development rights in approximately 431.85 acres of land, more or less, located at 1247 Stafford Road, Darlington, Maryland within the County (the "Land"), for an aggregate purchase price not in excess of \$1,079,625.00 (the "Purchase Price"), plus interest thereon as hereinafter provided; provided that the actual amount of the Purchase Price shall be equal to the lesser of such maximum amount or \$2,500.00 multiplied by the number of acres in the Land (minus one acre for any existing residential dwelling located thereon);

(b) The Installment Purchase Agreement shall be in substantially the form attached hereto as Exhibit C and made a

1 part hereof, and in such form the Installment Purchase Agreement
2 is hereby approved as to form and content. The Installment
3 Purchase Agreement shall be dated as of the date of its execution
4 and delivery by the County and the Seller (the "Closing Date");

5 (c) A portion of the Purchase Price, in the amount
6 determined as hereinafter provided, shall be paid in cash on the
7 Closing Date. The balance of the Purchase Price shall be paid to
8 the Seller in each year thereafter to and including a date not
9 more than twenty (20) years after the Closing Date. The dates on
10 which each such installment is payable shall be determined by the
11 County Executive and the Treasurer and shall be inserted in the
12 form of the Installment Purchase Agreement attached hereto as
13 Exhibit C;

14 (d) Interest on the unpaid balance of the Purchase
15 Price shall accrue from the Closing Date and shall be payable at
16 least annually in each year, commencing on the first of such
17 dates to follow the Closing Date and continuing to and including
18 a date not more than 20 years after the Closing Date at an
19 interest rate equal to the yield on U.S. Treasury STRIPS maturing
20 on the date next preceding the final maturity date in the
21 Installment Purchase Agreement determined as of the business day
22 preceding the Closing Date and rounded to the next highest 0.05%
23 per annum. Interest shall be calculated on the basis of a 360-
24 day year of twelve 30-day months;

1 (e) The County's obligation to make payments of the
2 Purchase Price under the Installment Purchase Agreement and to
3 pay interest thereon is and shall be a general obligation of the
4 County and is and shall be made upon its full faith and credit.

5 SECTION 2. BE IT FURTHER ENACTED BY THE COUNTY COUNCIL OF
6 HARFORD COUNTY, MARYLAND,

7 That it is hereby found and determined that:

8 (a) The acquisition of the development rights in the
9 Land as set forth in Section 1 of this Ordinance and in the form
10 of the Installment Purchase Agreement attached hereto as Exhibit
11 C is in the best interests of the County;

12 (b) The Installment Purchase Agreement is a contract
13 providing for the payment of funds at a time beyond the fiscal
14 year in which it is made and requires the payment of funds from
15 appropriations of later fiscal years;

16 (c) Funds for the payment of the Purchase Price under
17 the Installment Purchase Agreement are included in the Budget
18 Ordinance, As Amended;

19 (d) The County shall acquire the development rights in
20 the Land in perpetuity;

21 (e) The Purchase Price is within the legal limitation
22 on the indebtedness of the County as set forth in Article 25A, §
23 5(P) of the Annotated Code of Maryland;

24 (f) The cost of acquiring the development rights in
25 the Land is equal to the Purchase Price;

1 (g) The only practical way to acquire the development
2 rights in the Land is by private negotiated agreement between the
3 County and the Seller.

4 SECTION 3. BE IT FURTHER ENACTED BY THE COUNTY COUNCIL OF
5 HARFORD COUNTY, MARYLAND, That the Installment Purchase Agreement
6 shall be signed by the County Executive of the County (the
7 "County Executive") by her manual signature, and the Installment
8 Purchase Agreement shall bear the corporate seal of the County,
9 attested by the manual signature of the Director of
10 Administration of the County (the "Director of Administration").
11 In the event that any officer whose signature shall appear on the
12 Installment Purchase Agreement shall cease to be such officer
13 before the delivery of the Installment Purchase Agreement, such
14 signature shall nevertheless be valid and sufficient for all
15 purposes, the same as if such officer had remained in office
16 until delivery.

17 SECTION 4. AND BE IT FURTHER ENACTED BY THE COUNTY COUNCIL
18 OF HARFORD COUNTY, MARYLAND, That the County Executive and the
19 Treasurer are hereby authorized, prior to execution and delivery
20 of the Installment Purchase Agreement, to make such changes or
21 modifications in the form of the Installment Purchase Agreement
22 attached hereto as Exhibit C as may be required or deemed
23 appropriate by them in order to accomplish the purpose of the
24 transactions (including, but not limited to, determining the
25 portion of the Purchase Price to be paid in cash on the Closing

1 Date and establishment of interest and principal payment dates in
2 each year that the Installment Purchase Agreement is outstanding)
3 authorized by this Ordinance; provided that such changes shall be
4 within the scope of the transactions authorized by this Ordinance
5 and the execution of the Installment Purchase Agreement by the
6 County Executive shall be conclusive evidence of the approval by
7 the County Executive of all changes or modifications in the form
8 of the Installment Purchase Agreement and shall thereupon become
9 binding upon the County in accordance with its terms, as
10 authorized by Section 524 of the Charter and the Authorizing Act
11 (collectively, the "Enabling Legislation"), and as provided for
12 in this Ordinance.

13 SECTION 5. BE IT FURTHER ENACTED BY THE COUNTY COUNCIL OF
14 HARFORD COUNTY, MARYLAND, That the County Executive, the Director
15 of Administration, the Treasurer of the County and other
16 officials of the County are hereby authorized and empowered to do
17 all such acts and things and to execute, acknowledge, seal and
18 deliver such documents (including a Tax Certificate and
19 Compliance Agreement) and certificates as the County Executive
20 may determine to be necessary to carry out and comply with the
21 provisions of this Ordinance subject to the limitations set forth
22 in the Enabling Legislation and any limitations set forth in this
23 Ordinance.

24 SECTION 6. BE IT FURTHER ENACTED BY THE COUNTY COUNCIL OF
25 HARFORD COUNTY, MARYLAND, That the Treasurer of the County is

hereby designated and appointed as registrar and paying agent for the Installment Purchase Agreement (the "Registrar"). The Registrar shall maintain, or cause to be maintained, books of the County for the registration and transfer of ownership of the Installment Purchase Agreement. In addition, the County may, from time to time, designate and appoint the Department of the Treasury of the County, any officer or employee of the County or one or more banks, trust companies, corporations or other financial institutions to act as a substitute or alternate registrar or paying agent for the Installment Purchase Agreement, and any such substitute or alternate shall be deemed to be the Registrar or an alternate Registrar for all purposes specified in the resolution appointing such substitute or alternate. Any such appointment shall be made by the County Council by resolution and the exercise of such power of appointment, no matter how often, shall not be an exhaustion thereof.

SECTION 7. BE IT FURTHER ENACTED BY THE COUNTY COUNCIL OF HARFORD COUNTY, MARYLAND, That for the purpose of paying the installments of the Purchase Price when due and payable and the interest on the unpaid portion of the Purchase Price when due and payable, there is hereby levied, and there shall hereafter be levied in each fiscal year that any portion of the Purchase Price payable under the Installment Purchase Agreement remains outstanding, *ad valorem* taxes on real and tangible personal property and intangible property subject to taxation by the

1 County, without limitation of rate or amount, and, in addition,
2 upon such other intangible property as may be subject to taxation
3 by the County within limitations prescribed by law, in an amount
4 sufficient, together with the portion of the transfer tax imposed
5 on transfers of real property in Harford County which is
6 dedicated to agricultural land preservation and other available
7 funds, to pay any installment of the Purchase Price under the
8 Installment Purchase Agreement maturing during the succeeding
9 year and to pay the annual interest on the outstanding balance of
10 the Purchase Price until all of the Purchase Price under the
11 Installment Purchase Agreement and such interest have been paid
12 in full; and the full faith and credit and the unlimited taxing
13 power of the County are hereby irrevocably pledged to the
14 punctual payment of the Purchase Price under the Installment
15 Purchase Agreement and the interest on the unpaid balance of the
16 Purchase Price as and when the same respectively become due and
17 payable.

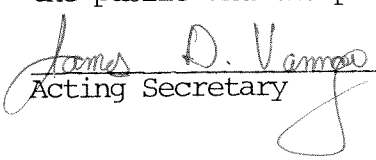
18 SECTION 8. BE IT FURTHER ENACTED BY THE COUNTY COUNCIL OF
19 HARFORD COUNTY, MARYLAND, That this Ordinance shall take effect
20 sixty (60) calendar days after it becomes law.

EFFECTIVE:

October 15, 1996

The Secretary of the Council does hereby
certify that fifteen(15) copies of this Bill
are immediately available for distribution to
the public and the press.

TLMB:HARFORD CO. AGLAND/HOLLOWA1.ORD
June 27, 1996


Acting Secretary

HARFORD COUNTY BILL NO. 96-39(Brief Title) Agricultural Land Preservation -
Holloway Property

is herewith submitted to the County Council of Harford County for enrollment as being the text as finally passed.

CERTIFIED TRUE AND CORRECT

ENROLLED

James D. Varnoe
Acting Secretary
of the CouncilJames A. Parrott
President of the CouncilDate August 6, 1996Date August 6, 1996

BY THE COUNCIL

Read the third time.

Passed: LSD 96-23 (August 6, 1996)

Failed of Passage: _____

By Order

James D. Varnoe
Acting SecretarySealed with the County Seal and presented to the County Executive for approval this 8th day of August, 1996 at 3:00 p. m.James D. Varnoe
Acting Secretary

BY THE EXECUTIVE

Charles M. Redman
COUNTY EXECUTIVEAPPROVED: Date August 13, 1996

BY THE COUNCIL

This Bill (No. 96-39), having been approved by the Executive and returned to the Council, becomes law on August 13, 1996.

James D. Varnoe
Acting Secretary

EFFECTIVE DATE: October 15, 1996